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DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-052]

Certain Hardwood Plywood Products from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and/or exporters of certain hardwood plywood products (hardwood plywood) from the People's Republic of China (China) during the period of review (POR) April 25, 2017 through December 31, 2018.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]

FOR FURTHER INFORMATION CONTACT: Annathea Cook, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0250.

SUPPLEMENTARY INFORMATION:

Background

On October 11, 2019, Commerce published the *Preliminary Results* of this administrative review.¹ No party commented on the *Preliminary Results*. Accordingly, Commerce has not modified its analysis from the *Preliminary Results*, and no decision memorandum accompanies

¹ See *Certain Hardwood Plywood Products from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Rescission of Review, in Part; 2017-2018*, 84 FR 54844 (October 11, 2019) (*Preliminary Results*).

this *Federal Register* notice. Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The merchandise subject to this order is hardwood and decorative plywood, and certain veneered panels.² For the purposes of this proceeding, hardwood and decorative plywood are described as a generally flat, multilayered plywood or other veneered panel, consisting of two or more layers of plies of wood veneers and a core, with the face and/or back veneer made of nonconiferous wood (hardwood) or bamboo. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.³

Methodology

For each of the subsidy programs we found to be countervailable, we determined that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁴

In making these findings, Commerce relied on facts available and, because we found that two companies selected as mandatory respondents for individual examination (Jiangsu High Hope Arser Co., Ltd. (High Hope) and Zhejiang Dehua TB Import & Export Co., Ltd (Zhejiang Dehua)), as well as the Government of China, did not act to the best of their abilities to respond to Commerce's requests for information, we drew an adverse inference, where appropriate, in selecting from among the facts otherwise available.

As no party submitted comments on the methodology used in calculating the adverse

² *See Certain Hardwood Plywood Products from the People's Republic of China: Countervailing Duty Order*, 83 FR 513 (January 4, 2018).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review: Certain Hardwood Plywood Products from the People's Republic of China; 2017- 2018," dated October 3, 2019 (Preliminary Decision Memorandum).

⁴ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution, section 771(5)(E) of the Act regarding benefit, and section 771(5A) of the Act regarding specificity.

facts available subsidy rates assigned in the *Preliminary Results*, Commerce has made no adjustments to its determination that High Hope and Zhejiang Dehua did not cooperate to the best of their abilities to comply with Commerce's request for information. Accordingly, we continue to determine that it is appropriate to apply facts otherwise available with adverse inferences, in accordance with sections 776(a) and (b) of the Act. For details regarding the issues raised in this proceeding, including Commerce's determination to apply adverse facts available to High Hope and Zhejiang Dehua, *see* the Preliminary Decision Memorandum.⁵

Additionally, due to the absence of reviewable entries, in our *Preliminary Determination*, we preliminarily rescinded this review with respect to the following companies: Happy Wood Industrial Group Co., Ltd; Jiangsu Sunwell Cabinetry Co., Ltd.; Linyi Bomei Furniture Co., Ltd.; Pingyi Jinniu Wood Co., Ltd.; Qingdao Top P&Q International Corp.; SAICG International Trading Co., Ltd.; Shandong Huaxin Jiasheng Wood Co., Ltd.; Shandong Jinhua International Trading Co., Ltd.; and Xuzhou Amish Import & Export Co., Ltd.⁶ There is no additional record evidence that calls into question the preliminary decision to rescind this review for the above-referenced companies. Accordingly, we continue to find that it is appropriate to rescind this review with respect to each of these companies.

Final Results

The final net countervailable subsidy rates are as follows:

⁵ *See* Preliminary Decision Memorandum.

⁶ *Id.*

Exporter/Producer	Net subsidy rate <i>ad valorem</i> (percent)
Zhejiang Dehua TB Import & Export Co., Ltd	194.90
Jiangsu High Hope Arser Co., Ltd.	194.90

Disclosure

We described the subsidy rate calculations, which were based on adverse facts available, in the Preliminary Decision Memorandum.⁷ As noted above, there are no changes to our calculations. Thus, no additional disclosure is necessary for this final determination.

Assessment Rates

Consistent with section 751(a)(1) of the Act, and 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries. Commerce intends to issue appropriate assessment instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

Pursuant to section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated above on shipments of subject merchandise from the above-named companies entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

⁷ See Preliminary Decision Memorandum at 13-17.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

Notification to Interested Parties

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 10, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.
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